CONFIDENTIAL

18 October 1957

Twelfth Session
Working Party on Budget

ADMINISTRATIVE ARRANGEMENTS REQUIRED
TO GIVE EFFECT TO PROPOSALS SUBMITTED
BY THE CHAIRMAN OF THE WORKING PARTY ON BUDGET

Note by the Executive Secretary

1. At its last meeting the Working Party on Budget asked the secretariat to indicate what would be the administrative problems raised by the proposals submitted by the Chairman and the possible solutions which might be given to these problems.

2. Having consulted the staff members and considered the problems which the proposals would raise, I think that it might be useful to indicate to the members of the Working Party concrete suggestions which in my opinion would achieve the purpose which the Working Party has in mind and would give satisfaction to the legitimate aspirations of the members of the staff. If the intention of the Working Party is to apply to the staff of the secretariat the same advantages as are now enjoyed by the staff of the United Nations, the Working Party should recommend to the CONTRACTING PARTIES that:

(a) they confirm officially that the Staff Regulations of the United Nations and Staff Rules apply to the GATT secretariat. For practical reasons it might also be agreed that the Executive Secretary should submit to the CONTRACTING PARTIES at their next session the text of Staff Rules and Regulations which would contain the same provisions as the United Nations Staff Rules and Regulations with the necessary drafting changes. The Executive Secretary might be instructed to suggest certain procedural or drafting changes when, in his opinion, the procedural arrangements of the United Nations Staff Rules and Regulations appear to be too cumbersome for a small organization like the GATT secretariat;

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(b) they agree that in future the Executive Secretary should be authorized to apply provisionally any changes which would be introduced in the United Nations Staff Rules and Regulations, subject to confirmation by the CONTRACTING PARTIES at their following session.

3. From the administrative point of view this arrangement would have the advantage of avoiding lengthy discussions on administrative matters at the sessions of the CONTRACTING PARTIES on points which had already been agreed upon by the governments members of the United Nations in respect of the United Nations staff and in a number of cases also in respect of the staff of specialized agencies. This procedure would also have the advantage of ensuring uniformity of treatment in the various inter-governmental organizations, which has always been the preoccupation of many governments and which appears to be the preoccupation of the members of the Working Party. On the other hand, the confirmation by the CONTRACTING PARTIES would enable the governments to modify, if they think it advisable, the amendments which had been introduced by the United Nations; this would not of course limit in any way the right of the CONTRACTING PARTIES or of the Executive Secretary to suggest amendments on points which are not expressly covered in the common staff regulations accepted by all the agencies of the United Nations family.

4. The proposals submitted by the Chairman of the Working Party included a suggestion that administrative arrangements should be made to ensure a permanent career to the officials of the secretariat. This is a point which has always been of particular concern to members of the staff. The authority to grant permanent contracts in lieu of temporary indefinite contracts, whenever the Executive Secretary feels that the post is of a durable nature and that the incumbent meets the necessary requirements, would give to the members of the staff an increased sense of stability. It seems, however, that in order to ensure permanent careers for our officials, especially in the professional category, it is necessary to provide for possibilities of advancement on a wider scale than under the present system. For that reason, I suggest that if the CONTRACTING PARTIES are prepared to confirm the application of the
United Nations Staff Rules and Regulations to their secretariat, they should be prepared to accept the following suggestions which are more or less based on the recommendations of the Salary Review Committee which were found acceptable in principle by the General Assembly of last year.

5. The normal career of professional staff members, of the substantive staff, holders of a permanent appointment, would be as follows:

(Net salaries are indicated - Geneva basis Class I. The grades of Junior Officer, Officer and Senior Officer correspond to the salary range of P.1, P.2 and P.3 grades in the United Nations scale which is now applied by the secretariat.)

(a) Junior Officer (probationary period) - Initial salary $3,600, with annual increments of $200. After two years, or three years at the utmost, the probationary appointment should be replaced by a permanent appointment at the Officer's level, or the appointment would be terminated;

(b) Officer - At the end of the probationary period, salary from $4,600 to $6,400, with annual increments of $200;

(c) Senior Officer - When the officer reaches his maximum salary at the previous grade, he would be promoted to the Senior Officer's position, provided that his work gives full satisfaction. The initial salary after promotion would be $6,625 and would reach a maximum of $8,000, with annual increments of $225, except the last one which would be $250;

(d) Counsellor - After reaching the maximum salary of the Senior Officer grade, the staff member would be promoted to the rank of Counsellor after a review leading to the determination that his work gives full satisfaction. The initial salary would be $8,125 and will reach $8,750 by annual increments of $125. The last step in the Counsellor's grade would be the last to be reached on grounds of seniority.
6. In special circumstances the Executive Secretary would be authorized to recruit an officer at the level of $4,600 if in his opinion the candidate has sufficient experience and does not need a two year probationary period. In exceptional circumstances, when there is a need of an officer having acquired a practical experience on a specialized subject, the Executive Secretary would be authorized to recruit at the Officer's level at an initial salary of $6,000.

7. As regards other Officers in the professional category who are not substantive staff (such as translators and interpreters) the grades outlined above would apply with the necessary adjustments.

8. These arrangements would not limit, in any way, the authority of the Executive Secretary to grant temporary conference contracts, fixed-term appointments or indefinite appointments in cases where such appointments are required. Such appointments would be governed by the terms and conditions laid down under the United Nations Staff Rules and Regulations.

9. It would not limit either the authority of the Executive Secretary to promote officials to the higher ranks corresponding to the grades of P.4, P.5, D.1 and D.2 in the United Nations Salary Scheme, when vacancies exist for those posts. In accordance with the practice followed by the secretariat, preference would be given to GATT staff members where their qualifications and experience are equal to those of outside candidates. The Executive Secretary would also be free to propose to the CONTRACTING PARTIES the regrading of posts in the Manning Table whenever the incumbent's responsibilities have increased in such a way as to justify such regrading.

10. If the CONTRACTING PARTIES agree with the above suggestions which correspond very closely to the proposals of the Salary Review Committee, the Executive Secretary suggests that the system be introduced as from 1 January 1958 and that the staff rules and regulations which he would submit to the CONTRACTING PARTIES next year should embody these proposals.
11. It is also suggested that if the CONTRACTING PARTIES agree to grant permanent contracts and to offer the career facilities outlined above, the Executive Secretary would have no reason to maintain the present arrangement by which he reserves the right to deviate from the United Nations Staff Rules and Regulations in cases where the application of the rules does not seem appropriate in view of the particular circumstances of the GATT.

12. **Financial regulations**

It would be necessary for the CONTRACTING PARTIES to confirm that the United Nations financial rules also apply to the GATT secretariat. These regulations, as supplemented by decisions of the CONTRACTING PARTIES, have been the basis for the financial arrangements of the secretariat since its inception. It appears useful to adopt the same rules as in the other agencies of the United Nations family. These regulations have not given rise to any difficulties so far and their adoption facilitates greatly the task of the auditors who are accustomed to work on the basis of the United Nations Rules.

13. **Administrative Tribunal**

The Administrative Tribunal of the ILO, which meets regularly in Geneva, would be ready to give us access to their services provided that we recognise the jurisdiction of the Tribunal as well as its Rules of Procedure. Under the Statute of the Tribunal, any expenses occasioned by sessions or hearings of the Tribunal, are borne by the international organization against which the complaint is filed and, of course, any compensation awarded by the Tribunal is chargeable to that international organization. The secretariat has been informed that the ILO would not charge for any secretarial assistance and that the expenses would be limited to a proportionate share in the travelling expenses of the judges. It is estimated that the expenditure to be incurred in a simple case would amount approximately to $500.–.
14. At the request of some members of the Working Party an enquiry has been made about the possibility of concluding an agreement with the Administrative Tribunal of the United Nations. The secretariat has been informed that the United Nations Administrative Tribunal does not normally meet in Geneva and that if it were necessary for the Tribunal to hear complaints involving the GATT secretariat, the Tribunal would have to come to Geneva for that purpose and bring its staff from New York. It is probable that, in such cases, all expenses in connexion with the travel of the judges and the staff would have to be borne by the CONTRACTING PARTIES.